

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

FILED

MAY 01 2000

INDIANA UTILITY  
REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF INDIANA )  
BELL TELEPHONE COMPANY, INCORPORATED, )  
D/B/A AMERITECH INDIANA PURSUANT TO )  
I.C. 8-1-2-61 FOR A THREE-PHASE PROCESS FOR ) CAUSE NO. 41657  
COMMISSION REVIEW OF VARIOUS )  
SUBMISSIONS OF AMERITECH INDIANA TO )  
SHOW COMPLIANCE WITH SECTION 271(C) OF )  
THE TELECOMMUNICATIONS ACT OF 1996. )

**JOINT COMMENTS OF AT&T AND SPRINT**

AT&T Communications of Indiana, Inc. ("AT&T") on behalf of itself and its affiliate TCG Indianapolis ("TCG"), and Sprint Communications Company L.P. ("Sprint"), by counsel, respectfully comment upon the issues raised by the Indiana Utility Regulatory Commission ("Commission") at the prehearing conference held in this proceeding on April 14, 2000.

This case arises out of a SBC/Ameritech pleading seeking a Commission determination whether Ameritech Indiana has met the threshold requirements of Section 271 of the Telecommunications Act of 1996<sup>1</sup> to offer in-region, interLATA long distance services. Section 271 sets forth a "competitive checklist." The "competitive checklist" is a list of fourteen essential elements that Ameritech Indiana must meet before it is eligible for Section 271 relief. These essential elements all are designed to ensure that Ameritech Indiana's incumbent local telephone marketplace has been irreversibly opened to competition.

This filing by SBC/Ameritech is in effect its "Strategic Plan" for gaining entrance into the competitive long distance market. The objective of the Commission, however, should not be to *react* to Ameritech's agenda, but *affirmatively* to develop an Indiana-specific "Strategic Plan" to

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1 See 47 U.S.C. 271(c)(2)(B) (1996).

first allow for the development of local exchange competition, and then consider whether Ameritech should be given in-region interLATA authorization.

The vital question that was unasked at the April 14, 2000 prehearing conference is, therefore, perhaps the most important issue. That question is: What must be done to ensure that local exchange competition is irreversibly established in Ameritech Indiana's territory before it is granted Section 271 interLATA relief? The answer to that question is that, at a minimum, Ameritech Indiana must take at least the following steps before it is eligible for Section 271 relief: it must have approved TELRIC-based UNE rates, not only for the FCC's original list of UNEs, but also for all new UNEs;<sup>2</sup> it must offer the UNE platform (UNE-P) and obtain Commission approval of its UNE-P offering and rates; it must update its legacy operating support systems ("OSS") to provide parity; and it must make payment of reciprocal compensation for all local traffic, including (as the D.C. Circuit recently and strongly suggested<sup>3</sup>)

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2 This Commission has approved Ameritech's unbundled network element ("UNE") rates for the Federal Communication Commission's ("FCC") original list of UNEs. *See In the Matter of the Commission Investigation and Generic Proceeding on Ameritech Indiana's Rates for Interconnection, Service, Unbundled Elements, and Transport and Termination*, Cause No. 40611. However, the FCC recently issued two orders that add to the list of UNEs that Ameritech must offer. In particular, the FCC's UNE Remand Order, *In the Matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Third Report and Order and Fourth Notice of Proposed Rulemaking, CC Docket No. 96-98 (Rel. Nov. 5, 1999), and the FCC's Line Sharing Order, *In the Matters of Deployment of Wireline Services Offering Advanced Telecommunications Capability and Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Third Report and Order and Fourth Report and Order, CC Docket No. 98-147 and CC Docket No. 96-98 (Rel. Dec. 9, 1999) make clear that Ameritech must offer, among other things, packet switching, dark fiber, subloops, and line sharing. Ameritech thus must have Commission-approved, TELRIC-based rates for each of those elements before it can be deemed to have met the Section 271 checklist. *See* 47 U.S.C. §§ 252(d)(1) and 271(c)(2)(B)(ii).

3 In *Bell Atlantic Telephone Companies, et al. v. Federal Communications Commission*, Case No. 99-1094, 2000 U.S. App. LEXIS 4685 (D.C. Cir. March 24, 2000), the D.C. Circuit held that the FCC had failed to support its decision that ISP traffic is primarily interstate in nature and that such traffic was, therefore, non-local for purposes of reciprocal compensation under the Telecommunications Act of 1996. A fair reading of the D.C. Circuit Opinion strongly suggests that the Court is, at a minimum, skeptical about the likelihood of the FCC's ability to provide a reasoned decision that classifies calls to ISPs as anything other than "local calls" subject to local reciprocal compensation.

local calls to internet service providers (“ISPs”) served by CLECs.<sup>4</sup>

The result of Ameritech Indiana’s lack of compliance with the Section 271 checklist is, unfortunately, palpable: local competition is virtually nonexistent in its serving territory. The Commission itself recognizes this fact. The Commission states on page 3 of its 1999 Telephone Report to the Regulatory Flexibility Committee of the Indiana General Assembly (the “Report”): “Most discouraging is the fact that facilities-based competition, or the provision of local service by a CLEC through unbundled network elements (UNEs), was virtually non-existent in Indiana as of December 31, 1998.” On page 3, the Report also states: “The IURC is concerned about the slow development of local competition in Indiana.”

In short, AT&T and Sprint urge the Commission to focus its efforts in this case on answering the most important, but unasked question: what must Ameritech Indiana do to ensure that local exchange competition is irreversibly established in its service territory so that it is eligible for Section 271 interLATA relief?

#### **I. THE PROJECT ADMINISTRATOR SHOULD NOT ADVOCATE PARTICULAR POSITIONS TO THE COMMISSION**

By entry dated April 24, 2000, the Commission indicated that it is considering hiring Mr. John Kern to be the “facilitator of the collaborative process throughout this proceeding,” and requested that parties state any objections to the selection of Mr. Kern as a “facilitator” when they submit their comments on May 1, 2000. Accordingly, AT&T and Sprint state that they have no objection to the selection of Mr. Kern to act as facilitator of the collaborative process in this

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<sup>4</sup> Ameritech does not yet meet other Section 271 checklist items, as well. These particular items are provided for illustrative purposes.

proceeding. Mr. Kern is serving currently as the project administrator in the Michigan and Ohio OSS and performance measurements collaboratives, and has been selected by the participants in the Wisconsin OSS collaborative to be the project administrator in that proceeding. Thus, as this Commission suggested in its April 24 Entry, the selection of Mr. Kern to serve in a similar role in Indiana would allow participants in this collaborative “to take advantages of the economies of the 271 proceedings in other Ameritech states.” April 24 Entry at 1. Moreover, both AT&T and Sprint agree that Mr. Kern is, to date, doing a fine job in all of those states.

AT&T and Sprint are concerned, however, that the Commission indicated that even if Mr. Kern is selected as the “facilitator,” it “still plans on pursuing the RFP proposal to select a project administrator who will serve as surrogate staff and be advisory in nature.” April 24 Entry at 1. The Commission made clear that this “project administrator” would be someone other than Mr. Kern.

The Commission used a project administrator in Cause No. 40785. The Commission retained Mr. Paul Hartman to both facilitate the process and provide substantive advice. In its comments in that Cause addressing the proper scope of Mr. Hartman’s role, AT&T argued:

Mr. Hartman would be of more value to the Commission, its Staff and the parties if he were not required to prepare and submit formal recommendations as to how the important policy issues raised in this proceeding should be decided by the Commission. Once Mr. Hartman prepares and submits such a report and is cross-examined on the recommendations in the report, he becomes another advocate of a particular approach, much like the other witnesses in the case. Yet, because he was appointed by the

Commission, his recommendations likely will receive greater weight by the Commission than those of other witnesses.<sup>5</sup>

The concerns AT&T expressed in Cause No. 40785 about the proper role of the project administrator are equally valid here. This proceeding investigates a number of serious policy issues related to whether Ameritech Indiana fulfills the requirements necessary for it to obtain legal authorization to provide in-region interLATA telecommunications services, as set forth in Section 271 of the Telecommunications Act of 1996.

Complex business and policy issues will be addressed in the upcoming workshops in this case. The results of this case will directly impact the development of local exchange competition in Indiana. It is therefore crucial that the Commission base its decisions on the evidence presented by the various parties directly involved in the process (i.e., Ameritech Indiana, competitive local exchange carriers ("CLECs"), the Office of Utility Consumer Counselor ("OUCC"), and any other interested parties). Although AT&T and Sprint have no doubt that the project administrator/advisor will endeavor to make impartial recommendations, it is the Commission itself that should make the major policy decisions without relying upon intermediary recommendations from the project administrator.

In short, AT&T and Sprint recommend that the Commission hire Mr. Kern to act as facilitator/project administrator, but that his role be limited to that of facilitating the collaborative

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<sup>5</sup> See, *In the Matter of the Investigation on the Commission's Own Motion into any and all Matters Relating to Access Charge Reform and Universal Service Reform Including, but not Limited to, High Cost or Universal Service Funding Mechanisms Relative to Telephone and Telecommunications Services Within the State of Indiana Pursuant to: I.C. 8-1-2-51, 58, 59, 69; 8-2-2.6 et seq., and other Related State Statutes, as well as the Telecommunications Act of 1996 (47 U.S.C. 151, et seq., AT&T's Comments Regarding the Role of Mr. Hartman in the Commission's Investigation of Access Charge Reform and Universal Service Reform, p. 2., Commission Cause No. 40785 (April 15, 1997).*

process and providing information and updates to the Commission. Neither Mr. Kern nor any other person, whatever their title, should be used to provide independent recommendations or advice to the Commission.

Certainly, the project administrator/facilitator should, however, have an important role in this case. Assuming that an individual with a suitable background is chosen, such as Mr. Kern, the project administrator can be of great value to both the Commission and its Staff. In great part due to the many important telecommunications cases now pending at the Commission on a whole range of issues, the permanent members of the Staff have limited time to devote to the organizational and mediation roles that would be handled by the project administrator. The project administrator can devote substantial time and effort to this proceeding. Moreover, if the project administrator is not, as AT&T and Sprint recommend, an advocate of a particular point of view and, therefore, not a witness in this case, this individual will be better able to assist the Commission throughout this proceeding.

## **II. INDIANA SHOULD USE A COLLABORATIVE PROCESS SIMILAR TO THAT EMPLOYED IN WISCONSIN OR MICHIGAN**

As the Commission is undoubtedly aware, Illinois, Michigan, Ohio and Wisconsin are conducting collaboratives addressing the third-party testing of Ameritech's OSS. Each state's collaborative, while examining the same issue, is proceeding in a different way due to the different focus of each case.

Michigan's collaborative arises out of the Michigan Public Service Commission's ("MPSC") OSS proceeding and Ameritech's recent Section 271 petition requesting third party

testing of its OSS. KPMG has been selected as the third-party tester. The role of the pseudo-CLEC has not yet been completely defined, but the parties are working to reach closure on this important issue.<sup>6</sup> At this point, KPMG is in the early stages of developing its master test plan in consultation with the parties.

Wisconsin's collaborative process exists because of a petition from a number of CLECs, including AT&T and Sprint, seeking Public Service Commission of Wisconsin ("PSCW") adjudication of what necessary changes should be made to Ameritech's OSS to allow for the development of local exchange competition. Ameritech, the CLECs, the Commission staff, public interest agencies such as the Citizen's Utility Board, and the Wisconsin Department of Justice have developed the "Wisconsin Statement of Principles."<sup>7</sup> The Wisconsin Statement of Principles establishes what baseline improvements to Ameritech's OSS should be addressed,<sup>8</sup> requires third party OSS testing and use of a separate pseudo-CLEC, and sets up a collaborative process. The PSCW approved the "Statement of Principles" on March 29, 2000. The participants in the Wisconsin collaborative have tentatively agreed to KPMG as the third party tester. In addition, the participants have recommended that HP should provide a portion of the pseudo-CLEC role. The PSCW, however, has not yet approved these recommendations, but a decision is imminent. In addition, the PSCW is conducting numerous workshops to try to reach agreement on Ameritech's OSS updates.

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<sup>6</sup> The pseudo-CLEC is an independent entity that is set-up to test Ameritech's OSS and determine if it can handle the kinds of orders that a real CLEC would send. In New York, for example, Hewlett Packard ("HP") performed the technical aspects of this role, with the actual ordering coming from KPMG.

<sup>7</sup> For the convenience of the Commission, a copy of the "Statement of Principles" and the PSCW order approving it are attached hereto.

<sup>8</sup> Paragraph 3 of the "Statement of Principles" provides a partial listing of proposed Ameritech OSS updates that are being addressed by the Wisconsin collaborative.

Illinois and Ohio's collaborative cases were formed as a result of the Illinois Commerce Commission ("ICC") and Public Utilities Commission of Ohio ("PUCO") decisions approving SBC's takeover of Ameritech.<sup>9</sup> The ICC and PUCO agreed with Ameritech's proposal to conduct OSS and performance measurements collaboratives. In addition, the ICC ordered Ameritech to conduct a third party test of its OSS. Illinois has picked a third-party tester, KPMG. Illinois has now moved on to phase two of its collaborative where the participants are working to agree, among other things, on the nature and timing of necessary OSS upgrades prior to testing. In addition, now that the third party tester has been selected, the ICC's collaborative will address formulation of the test plan.

The PUCO has not yet formally selected a third party tester, but the participants have voted in support of KPMG. While the roles of the third party tester and the pseudo-CLEC have not yet been completely defined, it appears likely that the collaborative will work towards a solution in the near future.

Because of the progress being made in Wisconsin and Michigan, AT&T and Sprint recommend that the Commission look to the proceedings ongoing in Wisconsin and Michigan. Unlike the collaboratives in Illinois and Ohio, which arose out of the SBC/Ameritech merger, both the Wisconsin and Michigan proceedings are "fresh" starts. Illinois and Ohio, on the other hand, initially focused on SBC's OSS merger commitments, and hence did not reach the ultimate issue: what updates to Ameritech's legacy OSS are necessary to allow for the development of

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<sup>9</sup> While the genesis of the PUCO's OSS collaborative is the SBC/Ameritech merger proceeding, recent progress in the OSS collaborative arise out of an Ameritech Ohio alternative regulation proceeding.



local exchange competition. Wisconsin and Michigan have a "head start" over Illinois and Ohio on working toward this ultimate issue.

AT&T and Sprint recommend that the first meeting of the Indiana collaborative be used to establish what aspects of Wisconsin and Michigan should be used to move Indiana forward expeditiously, including developing an "Indiana Statement of Principles." AT&T and Sprint are confident that Ameritech will work as cooperatively with Indiana's CLECs in developing this document as was the case in Wisconsin.

### **III. AMERITECH INDIANA'S THIRD PARTY OSS TEST SHOULD TAKE INTO ACCOUNT UNIQUE INDIANA SERVICES AND DEMOGRAPHIC CHARACTERISTICS**

The issue of regional third party testing of Ameritech's OSS is being examined in Michigan, Ohio and Wisconsin. The Wisconsin "Statement of Principles" specifically references the issue:


13. Ameritech represents that it desires to have its OSS tested on a region-wide or multi-state basis. While some of the Parties of Record have indicated interest in the approach, they await assurances that such a test would ensure that the OSS will function at acceptable performance levels for commercial volumes throughout the region, given Ameritech's legacy "back-office" systems which exist throughout the region and provisioning variances by state. Some parties also assert that Wisconsin-specific testing, as well as results comparisons with SBC/Ameritech's Wisconsin retail channel and individual affiliates, will be necessary in any multi-state testing platform. CLECs desire demonstrations that all order types flow into and through the SBC/Ameritech OSS systems successfully in each participating state.

Consistent with the Wisconsin statement, AT&T and Sprint recommend that the Commission require this important issue to be expeditiously addressed by the Indiana OSS collaborative so

that a prompt determination can be made on the feasibility of including the state in any regional test.

Respectfully submitted,

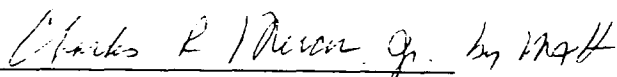
AT&T COMMUNICATIONS OF INDIANA, INC.

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CERTIFICATE OF SERVICE

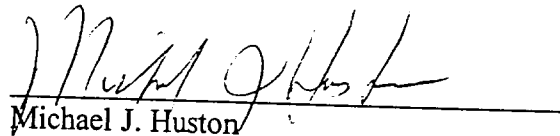
The undersigned certifies that on May 1, 2000, copies of the foregoing Petition to Intervene were mailed by first class United States mail, postage prepaid, to:

Karol H. Krohn  
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Indiana Government Center North  
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Indianapolis, Indiana 46204-3556

  
Michael J. Huston

DATE MAILED

MAR 29 2000

BEFORE THE  
PUBLIC SERVICE COMMISSION OF WISCONSIN

Investigation Into Ameritech Wisconsin Operational Support  
Systems

6720-TI-160

ORDER

This is a class 1 contested case proceeding to investigate and resolve problems associated with the Operational Support Systems (OSS) of Ameritech.<sup>1</sup> The proceeding is divided into phases. Phase I deals with the "development of [Ameritech's] OSS performance measures and benchmarks, and how OSS performance testing should proceed." The OSS testing is actually conducted in Phase II.

Several parties have reached agreement among themselves on a process for identifying and resolving a number of issues in Phase I. This agreement is embodied in the "Statement of Principles" (Statement) dated February 24, 2000, attached as Appendix B.<sup>2</sup> The signatories to the Statement have moved the Commission to "adopt" the Statement<sup>3</sup> and to designate a project coordinator/facilitator for the "Forum" described in the Statement. The Commission finds that the Statement includes several good suggestions for the handling of Phase I of this case.

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<sup>1</sup> The Notice of Proceeding named Wisconsin Bell, Inc., the telecommunications utility doing business in Wisconsin as "Ameritech" (Ameritech Wisconsin) as the party nominally responsible for the OSS utilized in this state. It is understood that this OSS is neither owned nor controlled by Ameritech Wisconsin. Rather, Ameritech Wisconsin contracts with Ameritech Services, Inc., for operational support. It is further understood that Ameritech Wisconsin has the necessary legal and practical ability to act for and bind Ameritech Services, Inc., to comply with this Commission's orders.

<sup>2</sup> Appendix A is the service list of parties in the docket.

<sup>3</sup> Administrative Law Judge Jeffry Patzke gave the non-signing parties an opportunity to object to or otherwise comment on the Statement. No party has objected.

Construing the Statement as a stipulation among the parties for the entry of an order adopting the parties' suggestions, the Commission, therefore, hereby orders<sup>4</sup> as follows:

1. Further Prehearing Conferences. The parties shall participate in a series of prehearing conferences pursuant to WIS. STAT. § 227.44(4)(a)5. Through these conferences the parties will attempt to identify the issues for Phase I of this proceeding and attempt to reach agreement on as many substantive issues as possible.

2. Assignment of Temporary Administrative Law Judge. Pursuant to WIS. STAT. §§ 196.24 and 227.46(1), and Wis. Admin. Code ch. PSC 1, Telecommunications Division Administrator Scot Cullen is temporarily assigned as an additional, temporary administrative law judge (ALJ) to supervise the further prehearing conferences contemplated in order paragraph 1. The appointment of Mr. Cullen as a temporary ALJ shall end with the submission to the Commission of the report described in order paragraph 3. In all other respects, Administrative Law Judge Jeffry Patzke continues as the primary ALJ assigned to this docketed proceeding.

3. Report. At such time as the temporary ALJ concludes that the parties have exhausted their abilities to identify issues and reach agreements during the further prehearing conferences, the temporary ALJ shall prepare a report containing at least the following information: (1) a listing of all Phase I test design and implementation parameters (performance measures, benchmarks, pre-testing system upgrades or improvements, testing sequences, business processes, etc.) upon which the parties have reached agreement and seek Commission acceptance of the parameters in the order concluding Phase I, and (2) a statement of disputed issues which

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<sup>4</sup> The Commission has authority to issue this order under WIS. STAT. §§ 196.02, 196.03, 196.26, 196.28, 196.37, 196.199(2), 196.219, 196.39, 196.395, other provisions of WIS. STAT. chs. 196 and 227, as may be relevant hereto, and 47 U.S.C. §§ 251 and 252 as the Commission may in its discretion apply pursuant to its jurisdiction under WIS. STAT. ch 196.

the temporary ALJ recommends be made subject to the hearing scheduled to commence July 18, 2000. The report shall be presented to the Commission for review with sufficient time to permit Commission action, as appropriate, no later than June 1, 2000. The Commission may accept or modify the report's findings in whole or in part.

4. Prehearing Conference Management Function. This function involves the broad discretion to plan, schedule, and implement activities to achieve performance, cost, and scheduling objectives of the further prehearing conferences. This function shall be handled by an independent coordinator, who will do all things necessary to schedule and conduct prehearing conference meetings to the end of producing the report described above, subject to the temporary ALJ's direction and final approval for submission. The coordinator shall have knowledge and skills in the application of fundamental meeting facilitation techniques and shall be subject to the direction and control of the Commission directly and through the Telecommunications Division staff. Ameritech Wisconsin, at its sole expense, shall retain the coordinator under contract, which shall provide for Commission (including staff) direction and control of the coordinator's activities. A contract for retaining any coordinator shall be forwarded by the temporary ALJ to the Commission for acceptance or other appropriate action. The temporary ALJ may include a brief summary of any relevant party comments regarding the qualifications of a proposed candidate for coordinator. This provision shall be implemented as soon as practicable.

5. Prehearing Conference Dispute Resolution Function. The temporary ALJ shall render a proposed decision on any disputed matter raised by a party during the further prehearing conferences. The temporary ALJ may conduct such fact-finding as he deems necessary or appropriate under the circumstances. Formal hearing process shall not be required for fact-

finding. Exceptions to the findings and/or rulings of the temporary ALJ may be taken to the Commission pursuant to Wis. Admin. Code § PSC 2.66, and the Commission may chose to address the matter immediately or defer action until all matters from the further prehearing conferences are ready for review.

6. Staff Participation in Prehearing Conferences. Commission staff assigned to this docket may participate in the further prehearing conferences and the hearings to carry out its advisory functions, including such functions as informally mediating party disputes and facilitating agreements, furnishing relevant information, framing alternatives, advocating policy options, and identifying for discussion relevant stakeholder interests or concerns that might not otherwise be advanced.

7. Penalty Plan. Paragraph 5 of the Statement states a dispute between the Ameritech Wisconsin and the opposing competitive local exchange carrier (CLEC) parties over whether a penalty plan should be part of the prehearing conference process. The Commission tentatively determines that a "penalty plan" of the character contemplated by the Statement may reasonably become a part of the Phase II testing. The prehearing conference agenda should therefore provide for discussion of the issue at this time to achieve as much agreement as possible. The Commission reserves a final determination as to whether or not a "penalty plan" shall be finally ordered to be a part of Phase II testing.

8. Region-wide OSS Testing. The parties state views in Paragraph 13 of the Statement regarding region-wide or multi-state testing of Ameritech's OSS. This proposition is insufficiently developed at this time for the Commission to make any determination, but the Commission will retain jurisdiction to reopen this order to reconsider this issue, upon party

motion or the Commission's own motion. A party motion to seek reopening of this issue shall be stated separately of all other matters and filed with ALJ Patzke for scheduling of responses and direct transmittal of all pleadings to the Commission. However, lack of regional or multi-state plans should not delay this proceeding.

9. Third-party Tester. OSS testing shall be conducted by a third-party tester approved by the Commission. The third-party tester shall be retained by Ameritech Wisconsin at its expense, but the tester, by terms of the hiring contract, shall be subject ultimately to the direction and control of the Commission and/or its designated agents. The tester may accept direction from prehearing conference parties, subject to Commission oversight and control, during the operation of the further prehearing conferences provided herein. The terms of the contract for hire shall be subject to Commission review and approval. The first order of business for the further prehearing conferences shall be the recruitment and selection (if agreement is achieved) of a tester. Agreement upon a choice shall be forwarded by the temporary ALJ directly to the Commission for approval or other appropriate order. Any dispute as to selection of a third-party tester shall be determined promptly and the dispute, with staff recommendations as to a tester, shall be forwarded by the temporary ALJ directly to the Commission. Independent party comments will not be accepted; all positions shall be summarized by the temporary ALJ in a forwarding memorandum.

10. Pseudo-CLEC Testing. Testing shall include use of a pseudo-CLEC, whose retention shall be subject to Commission approval. The pseudo-CLEC shall be retained by Ameritech Wisconsin at its expense, either in a separate contract, or as part of an addendum or modification of the third-party tester contract. By the terms of the hiring contract, the pseudo-



CLEC shall be subject to the direction and control of the Commission and/or its designated agents or by the prehearing conference parties. Approval of the retention of a pseudo-CLEC, or any dispute with respect thereto, shall be treated in the same manner as the third-party tester approval in Paragraph 9 above.

11. Commission Control. No official third-party testing shall proceed without formal Commission order. Generally, it is anticipated that most testing will occur upon Commission order concluding Phase I. For cause shown, the Commission may approve commencement or execution of specific official tests for Phase II purposes even if Phase I activities are not fully complete.

12. Third-party Test Minimums. No third-party testing can begin without the Texas<sup>5</sup> performance measures being expanded to include xDSL loop performance measures, as well as other new performance measures focusing on new products, including unbundled network element platforms (UNE-P), and inclusion of measures for jeopardy, held orders, change management, "hot cuts," and new systems put in place as a result of the direction of the prehearing conference parties or the Commission.

13. Commission Discretion in Determinations. Notwithstanding certain terminology, e.g., "needs of the Commission" and "best aspects of the test plan" in Statement Paragraphs 6 and 9, respectively, the Commission reserves in its sole discretion the determination of the extent, nature, and quality (whether objectively or subjectively measured or evaluated) of all features or aspects of the OSS testing contemplated for Phase II of this proceeding.

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<sup>5</sup> Measures accepted by Texas Public Utility Commission and filed with the Federal Communications Commission. See *In the Matter of Application of SBC Communications, Inc. Pursuant to Section 271 of the Telecommunications Act of 1996 To Provide In-Region, InterLATA Services in Texas*. CC Docket No. 00-4.

14. Military-style Testing. All third-party testing shall be done in military-style testing, as described in Statement Paragraph 10, which is specifically incorporated herein by reference.

15. Access. CLEC parties to this docket shall have the right to (1) verify by documentation or direct, on-site inspection what is being tested; (2) receive a list of all documentation that Ameritech provides the third-party tester; and (3) verify by all reasonable means that the pseudo-CLEC is using the same information that Ameritech provides to the CLECs.

16. The provisions of above paragraphs 1 through 15, inclusive, shall be re-incorporated without change in the final order concluding Phase I of this docket, except as the Commission may subsequently determine otherwise.

17. Where a matter is not expressly covered in this order, the parties to the further prehearing conferences shall first resort to the Statement to determine whether a matter is an issue for the further prehearing conferences. The Commission intends a broad but reasonable reading of the Statement within the limits of this order and the Notice of Proceeding initiating this docket.

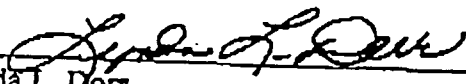
18. This order creates conditions for the scheduling of an additional series of prehearing conferences under WIS. STAT. § 227.44 as a means for further identifying issues in addition to those contemplated in the Notice of Proceeding. Any participation in the prehearing conferences scheduled pursuant to this order shall constitute a waiver of objections to any provisions herein per WIS. STAT. § 196.395.

Docket 6720-TI-160

19. This order shall be effective upon mailing, and the Commission retains jurisdiction, upon a motion by a party, or upon its own motion, to reopen, amend, rescind, or otherwise modify this order.

Dated at Madison, Wisconsin, March 28, 2000

By the Commission:

  
Lynda L. Dorr  
Secretary to the Commission

LLD:MSV:lcp:g:\order\pending\6720-TI-160FurtherPrehearingorder032300

See attached Notice of Appeal Rights

Notice of Appeal Rights

Notice is hereby given that a person aggrieved by the foregoing decision has the right to file a petition for judicial review as provided in Wis. Stat. § 227.53. The petition must be filed within 30 days after the date of mailing of this decision. That date is shown on the first page. If there is no date on the first page, the date of mailing is shown immediately above the signature line. The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

Notice is further given that, if the foregoing decision is an order following a proceeding which is a contested case as defined in Wis. Stat. § 227.01(3), a person aggrieved by the order has the further right to file one petition for rehearing as provided in Wis. Stat. § 227.49. The petition must be filed within 20 days of the date of mailing of this decision.

If this decision is an order after rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not an option.

This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

Revised 9/28/98

APPENDIX A

To comply with Wis. STAT. § 227.47, the following parties who appeared before the agency are considered parties for purposes of review under Wis. STAT. § 227.53.

SERVICE LIST  
(February 21, 2000)

AMERITECH WISCONSIN

by

Mr. Michael I. Paulson  
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Docket 6720-TI-160

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**BEFORE THE  
PUBLIC SERVICE COMMISSION OF WISCONSIN**

Investigation Into the Operational Support Systems :  
Of Ameritech Wisconsin : Docket No. 6720-TI-160

**STATEMENT OF PRINCIPLES**

**THIS STATEMENT OF PRINCIPLES** is entered into this 24<sup>th</sup> day of February, 2000, between Ameritech Wisconsin and the Parties of Record (collectively "The Parties"), including competitive local exchange providers ("CLECs").

**WHEREAS** on December 15, 1999, the Public Service Commission of Wisconsin ("Commission") issued a Notice of Proceeding and Investigation initiating this docket, the purpose of which is to investigate the Operational Support Systems of Ameritech Wisconsin;

**WHEREAS** on January 11, 2000, a prehearing conference was held in this docket, at which time Ameritech Wisconsin offered to submit to the Parties of Record on January 28, 2000, a written proposal detailing how, in its view, the investigation of Ameritech's OSS systems should proceed, and the Parties agreed to convene a two-day technical conference to discuss the proposal;

**WHEREAS** Ameritech did submit the proposal to the Parties of Record, and recommended that the Commission join other Commissions in the Ameritech region to supervise an independent third party multi-state test of its region-wide Operational Support Systems ("OSS") and its performance results;

**WHEREAS** the parties held a two-day, Staff-led technical conference on February 3 and 4, 2000 to discuss the proposal;

**WHEREAS** as a result of the technical conference, The Parties reached certain agreements and understandings; and

**WHEREAS** the parties desire to memorialize their understandings;

**NOW, THEREFORE**, the parties agree as follows:

1. The purpose of this proceeding is to evaluate the quality, timeliness and completeness of Ameritech Wisconsin's OSS used to support the CLECs seeking to enter the local markets currently served by Ameritech. In addition, this proceeding will test the change management procedures and testing environment(s) utilized with and available to CLECs when Ameritech Wisconsin institutes changes to its OSS. In order to accomplish these goals, the following issues will be investigated: the systems Ameritech Wisconsin currently has in place for pre-ordering, ordering, provisioning, maintenance and repair, and billing; the problems CLECs are

experiencing with Ameritech's current systems, how they can be fixed, and what systems improvements and enhancements are needed; what enhancements to the existing systems need be made prior to 3<sup>rd</sup> party testing; the design of a third-party OSS test, including what systems should be tested and when; the performance measures necessary to accurately monitor the performance delivered to CLECs, including but not limited to the areas monitored, metric definition and associated business rules; the accuracy, completeness and timeliness of all performance related data collection, computation, reporting and data retention/integrity; and, the adequacy of and adherence to change management procedures. It is the position of some of the parties that an issue in this proceeding is whether Ameritech Wisconsin's OSS represent the best available technology, both in the SBC systems and generally among ILECs. The parties acknowledge that the outcomes of this proceeding may be used by the parties in connection with a Section 271 application by Ameritech Wisconsin.

2. Ameritech will come forward with a plan for future enhancements to its OSS, timeframes for implementation of those enhancements, as well as proposed performance measures for those enhanced systems. After presentation of the plan, CLECs will be provided a reasonable opportunity to identify and prioritize these future enhancements for discussion and resolution in the Forum process. The Forum should begin meeting as soon as possible. Ameritech will provide a proposed test plan and expected pre-test OSS changes to the Forum. All proposals will be open for discussion in the Forum.

" 3. Ameritech agrees that, at a minimum, certain enhancements to the existing products, processes, or OSS need to be made prior to beginning third party testing. The specific enhancements to be made prior to beginning any portion of third party testing is an issue that must be discussed and resolved in the Forum process. These product and system enhancements to be discussed and resolved in the Forum process include, but are not limited to:

- A. A new loop assignment process, including voice grade loops served through integrated digital loop carrier equipment as well as xDSL loop prequalification processes. No plans currently exist to provide these functionalities to CLECs who do not use an Electronic Data Interchange system ("EDI"); however, Ameritech will work with the Forum process to discuss and develop means to make these functionalities available to non-EDI CLECs.
- B. A process to order unbundled network element platform ("UNE-P") in commercial volumes for both business and residential customers. No plans currently exist to provide any functionalities to CLECs who do not use an EDI system; however, Ameritech will work with the Forum process to discuss and develop means to make these functionalities available to non-EDI CLECs.
- C. An ordering process for adding ADSL functionality to a voice local loop.
- D. A process to order sub-loop unbundling.
- E. A process to order dark fiber.
- F. A new firm order confirmation process - including a new order jeopardy notification process for both EDI and non-EDI CLECs.

- G. Fail safe Hot-Cut procedures with dial tone and ANI testing completed 48hrs. prior to cut.
- H. The Street Address Guide ("SAG") and Customer Service Record ("CSR") will be synced up. (In other words, CSRs will be compared to the SAG, and errors in the CSRs will be corrected).
- I. Parsed CSRs will be provided.
- J. Implement industry standard versions of EDI (Version 10) and LSOG (Version 4) for ordering, including all associated functionalities by August, 2000.
- K. Implement an industry standard version of LSOG (Version 4) for preordering.

Ameritech has also agreed to implement a 10-digit trigger for number portability purposes on April 1, 2000.

As with all other disputes, any issues which are not resolved by agreement of the parties shall be resolved by the Commission.

4. As a baseline or starting point for the Forum process, the performance measures, including all the definitions, exclusions and associated business rules, as adopted by the Public Utility Commission of Texas in July 1999 will serve as the basis for monitoring support delivered to CLECs operating in Wisconsin. The Parties agree to expeditiously work together as a part of the Forum process on what additions to these performance measurements should be implemented prior to conducting a third party test of Ameritech's OSS.

5. Prior to commencing the third-party test, Ameritech agrees, at a minimum, to expand the Texas performance measures to include xDSL loop performance measures, as well as other new performance measures focusing on new products, including UNE-P. The third party test will also include measures for jeopardy, held orders, change management, and "hot cuts", as well as new systems put into place as a result of the Forum process or Commission direction. The specifics of these new performance measurements, business rules, and calculations shall be the product of the Forum process, and to the extent possible, mutual agreement between Ameritech and the CLECs, and shall be established before the third party test is commenced. The CLECs agree that establishing a penalty plan is an essential part of the Forum process. Ameritech believes that establishing a penalty plan is part of a Section 271 process. Where agreement is not reached, the areas of disagreement shall be presented to the Commission, which shall make a final and binding decision. Ameritech also agrees that to the extent it had agreed to a parity or benchmark measure, including any subsequent modifications, in another state, it will import that benchmark or parity measure or modification to Wisconsin. To the extent both a parity standard and a benchmark standard are employed in other states where Ameritech is a local exchange carrier, the Commission shall determine which standard is applicable in Wisconsin.

6. A Forum shall be convened to facilitate discussion and resolution of the issues set forth in this Statement of Principles. The Parties contemplate participation in the Forum by representatives from the Commission(s), the third-party testing agent or some other consulting agent, and interested representatives from Ameritech Wisconsin and the CLEC community. The

Wisconsin Commission shall in all events retain full authority to ensure that the test is designed and conducted, and the results are evaluated, in accordance with the needs of the Commission.

7. The Parties agree that the Commission should hire, at Ameritech's expense, an independent third-party to conduct a comprehensive test of the Operational Support Systems of Ameritech Wisconsin to begin once the necessary system improvements as determined by the Forum process have been implemented. The Parties also agree that a mutually agreed upon entity other than the third-party tester should be retained to act as a pseudo-CLEC. To the extent determined by the Forum, the pseudo-CLEC shall build the OSS interfaces necessary, as determined in the Forum process, to determine whether Ameritech Wisconsin's systems and documentation are sufficient to permit CLECs to develop their OSS in order to enter the market. Ameritech shall provide no greater guidance and information to the pseudo-CLEC than that currently made available to any other CLEC operating within the state.

8. The Parties agree that a suitably qualified entity, as mutually agreed to by the Parties, should be the third-party testing agent. An expedited interview process to select the third party tester shall be conducted by the Forum. Such third party testing agent shall not have an existing or pending disqualifying business conflict with SBC/Ameritech, including any subsidiaries or affiliates. Although Ameritech Wisconsin will be paying all costs for the test, including the cost of the pseudo-CLEC, the Parties agree that the third party testing agent and the pseudo-CLEC shall take their direction exclusively from the Commission or the Forum. The Parties agree that the third party testing agent and the firm to act as the pseudo-CLEC should be promptly retained.

9. The test should be modeled after and based upon the best aspects of the test plan and tests conducted in other states, including, but not limited to, the plan and tests conducted on behalf of the Pennsylvania Public Utilities Commission, the New York Public Service Commission, and the Florida Public Service Commission to test the OSS of Bell Atlantic Pennsylvania, Bell Atlantic New York, and Bell South (Florida), and will take into account the needs of providers in Wisconsin, as agreed to by the Forum or as determined by the Commission.

10. The test, using commercial volumes and capacity testing as determined by the Forum, shall be conducted military style (test until pass). Testing for a scenario is not considered completed in a satisfactory manner until such time as the performance meets or exceeds performance standards established for the relevant metrics in advance of initiation of testing. All corrective actions shall be subjected to retesting.

11. In addition to other guarantees for an open process embodied in this Statement of Principles, the CLECs shall: (1) have the opportunity to verify what is being tested; (2) receive a list of all documentation that Ameritech provides to the third party tester; and (3) be permitted to verify that the pseudo-CLEC is using the same information that Ameritech provides to the CLECs.

12. Carrier-to-carrier testing using commercial volumes, friendly testing of lines into a central location as requested by a CLEC, and capacity testing as determined by the Forum will be performed. Certain parties suggest that friendly testing involves the testing of up to 1,000 lines. The Forum will determine the exact number of lines that should be part of any friendly test.

13. Ameritech represents that it desires to have its OSS tested on a region-wide or multi-state basis. While some of the Parties of Record have indicated interest in the approach, they await assurances that such a test would ensure that the OSS will function at acceptable performance levels for commercial volumes throughout the region, given Ameritech's legacy "back-office" systems which exist throughout the region and provisioning variances by state. Some parties also assert that Wisconsin-specific testing, as well as results comparisons with SBC/Ameritech's Wisconsin retail channel and individual affiliates, will be necessary in any multi-state testing platform. CLECs desire demonstrations that all order types flow into and through the SBC/Ameritech OSS systems successfully in each participating state.

14. Any issues not resolved in the Forum process by agreement of the parties shall be resolved by the Commission. Parties to P.S.C.W. Docket No. 6720-TI-160 may bring to the Commission for resolution disputes that cannot be mutually agreed to in the Forum process. The Parties of Record reserve the right to escalate issues, wherever raised in the Forum process, to the Commission for resolution by whatever lawful process the Commission determines to be appropriate. If the Commission does not resolve the issue at an earlier date, the issues shall be presented to the Commission in an evidentiary hearing, tentatively scheduled for July 18, 2000.

15. The Parties agree that this Statement of Principles allows the parties to advocate in this proceeding, including during the Forum process, additional issues, such as more OSS system enhancements, along with associated performance measurements, and necessary modifications to any third-party tests. Not addressing any particular issue in this Statement of Principles therefore should not be taken to mean acquiescence with the position of any other party.

[Signature blocks omitted]